



Texas Department of Insurance, Division of Workers' Compensation
Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Requestor's Name and Address: TEXAS HEALTH OF FORT WORTH 3255 WEST PIONEER PARKWAY ARLINGTON TX 76013	MFDR Tracking #:	M4-10-2217-01
	DWC Claim #:	
	Injured Employee:	
Respondent Name and Box #: TEXAS ASSOCIATION OF COUNTIES RMP Rep Box #: 01	Date of Injury:	
	Employer Name:	
	Insurance Carrier #:	

PART II: REQUESTOR'S POSITION SUMMARY

Requestor's Rationale for Increased Reimbursement taken from Letter of Reconsideration: "HRA has been hired by Texas Health of Fort Worth to audit their Workers Compensation claims. We have found in this audit they have not paid what we determine is the correct allowable per the APC allowable per the fee schedule that came into effect on March 01, 2008 for the following HCPC's: **HCPC 72193...74160...70450...71260....**"

Amount in Dispute: \$760.44

PART III: RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Provider billed the Carrier \$7409.75 for the services in dispute related to services provided on 2/20/09 in an out-patient hospital setting The Carrier reimbursed the Provider \$1454.44 for the disputed services as evidenced by the enclosed EOB's. The Provider is requesting further reimbursement in the amount of \$760.44. Carrier contends that reimbursement in the above case has been calculated correctly per the out-patient hospital fee guidelines, and no further reimbursement is owed.."

PART IV: SUMMARY OF FINDINGS

Date(s) of Service	Services in Dispute	Calculation	Amount in Dispute	Amount Due
02/20/09	Hospital Outpatient Surgical Services CPT code 72193 CPT code 74160 CPT code 70450 CPT code 71260	CPT Code 72193: Not separately reimbursable. CPT Code 74160: Not separately reimbursable. CPT Code 70450: Not separately reimbursable. CPT Code 71260: Not separately reimbursable.	\$760.44	\$0.00
Total Due:				\$0.00

PART V: REVIEW OF SUMMARY, METHODOLOGY AND EXPLANATION

Texas Labor Code Section 413.011(a-d), titled *Reimbursement Policies and Guidelines*, and Division Rule §134.403, titled **Hospital Facility Fee Guideline – Outpatient**, effective for medical services provided on or after March 1, 2008, set out the reimbursement guidelines for Hospital outpatient services.

This dispute was filed in the form and manner as prescribed by 28 TAC §133.307 and meets the requirements for medical dispute resolution under 28 TAC §133.305 (a)(4).

1. The disputed services were denied or reduced by the insurance carrier based upon:

Explanation of benefits dated 08/04/09 noted claim reduction code:

- W3 — Additional payment made on appeal/reconsideration

Explanation of benefits dated 11/30/09 noted claim reduction codes:

- 18 — Duplicate claim/service.
- 193 — Original payment decision is being maintained. This claim was processed properly the first time.
- 247 — A payment or denial has already been recommended for this service.
- 1014 — The attached billing has been re-evaluated at the request of the provider. Based on this re-evaluation, we find our original review to be correct, therefore, no additional allowance appears to be warranted.

2. The Respondent denied reimbursement based upon duplicate claim/service. The disputed service was a duplicate bill submitted for reconsideration of payment. The Respondent did not provide information/documentation of duplicate payments. Therefore, this payment denial reason has not been supported.
3. Division rule at 28 TAC §134.403 (e) states in pertinent part, "Regardless of billed amount, reimbursement shall be:
 - (1) the amount for the service that is included in a specific fee schedule set in a contract that complies with the requirements of Labor Code 413.011; or
 - (2) if no contracted fee schedule exists that complies with Labor Code 413.011, the maximum allowable reimbursement (MAR) amount under subsection (f), including any applicable outlier payment amounts and reimbursement for implantables."
4. Pursuant to Division rule at 28 TAC §134.403(f), "The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*. The following minimal modifications shall be applied.
 - (1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:
 - (A) 200 percent; unless
 - (B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent."
5. Upon review of the documentation submitted by the requestor and respondent, the Division finds that:
 - (1) No documentation was found to support a contractual agreement between the parties to this dispute;
 - (2) MAR can be established for these services; and
 - (3) Separate reimbursement for implantables was *NOT* requested by the requestor.
6. Under the Medicare Outpatient Prospective Payment System (OPPS), all services paid under OPPS are classified into groups called Ambulatory Payment Classifications or APCs. Services in each APC are similar clinically and in terms of the resources they require. A payment rate is established for each APC. Depending on the services provided, hospitals may be paid for more than one APC for an encounter. Within each APC, payment for ancillary and supportive items and services is packaged into payment for the primary independent service. Separate payments are not made for a packaged service, which is considered an integral part of another service that is paid under OPPS. An OPPS payment status indicator is assigned to every HCPCS code. Status codes are proposed and finalized by Medicare periodically. The status indicator for each HCPCS codes is shown in OPPS Addendum B which is publicly available through the Centers for Medicare and Medicaid services. A full list of status indicators and their definitions is published in Addendum D1 of the OPPS proposed and final rules each year which is also publicly available through the Centers for Medicare and Medicaid services.
7. The requestor lists CPT codes 72193, 74160, 70450 and 71260 as the codes in dispute.
8. CPT code 72193 billed under Revenue Code 0350 is considered a Status N code. This Code has a payment indicator of N which relates to services or procedures included in the APC rate, but NOT paid separately (this is a packaged item). No reimbursement is allowed for this code.
9. CPT code 74160 billed under Revenue Code 0350 is considered a Status N code. This Code has a payment indicator of N which relates to services or procedures included in the APC rate, but NOT paid separately (this is a packaged item). No reimbursement is allowed for this code.

10. CPT code 70450 billed under Revenue Code 0351 is considered a Status N code. This Code has a payment indicator of N which relates to services or procedures included in the APC rate, but NOT paid separately (this is a packaged item). No reimbursement is allowed for this code.
11. CPT code 71260 billed under Revenue Code 0352 is considered a Status N code. This Code has a payment indicator of N which relates to services or procedures included in the APC rate, but NOT paid separately (this is a packaged item). No reimbursement is allowed for this code.

Based upon the documentation submitted by the parties and in accordance with Texas Labor Code Sec. 413.031 (c), the Division concludes that the requestor is not due additional payment. As a result, the amount ordered is \$0.00.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES

Texas Labor Code Sec. §413.011(a-d), §413.031 and §413.0311
28 TAC Rule §134.403, §133.307 and §133.305

PART VII: ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

September 21, 2010

Authorized Signature

Medical Fee Dispute Resolution Officer

Date

PART VIII: YOUR RIGHT TO REQUEST AN APPEAL

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **20** (twenty) days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with other required information specified in Division Rule 148.3(c).

Under Texas Labor Code Section 413.0311, your appeal will be handled by a Division hearing under Title 28 Texas Administrative Code Chapter 142 Rules if the total amount sought does not exceed \$2,000. If the total amount sought exceeds \$2,000, a hearing will be conducted by the State Office of Administrative Hearings under Texas Labor Code Section 413.031.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.